## MANUFACTURING EXTENSION PARTNERSHIP Success Stories from the Field

## **VHG Labs**

**New Hampshire Manufacturing Extension Partnership** 

VHG Labs Continues to Set the Standards

#### **Client Profile:**

VHG Labs (VHG), located in Manchester, New Hampshire, is recognized as the premier manufacturer of aqueous and metallo-organic spectrochemical standards. They manufacture the calibration standards that analytical laboratories, chemical companies, petroleum refineries and research facilities use to calibrate their analytical and testing equipment. In addition to providing single, multi element and custom blended standards in liquid form, VHG offers products and supplies associated with a variety of analytical purposes and they do analytical testing for clients as well. The company employs 25 people.

#### Situation:

VHG had been experiencing consistent growth and were looking for help in making some changes which would help them as they grew. Sue Evans Norris, VHG President, had heard of the New Hampshire Manufacturing Extension Partnership (NHMEP) a NIST MEP network affiliate, through her affiliation with the National Institute of Standards and Technology (NIST). Initially, NHMEP helped the company identify grant funds which VHG used for ISO 9000 training. Norris once again contacted the NHMEP for help.

#### **Solution:**

NHMEP put VHG in touch with consultant, Tony Perna, who assessed their needs and helped them through the processes of choosing a new software platform and then getting everyone up to speed on its use. With Net Suite, they are now able to track their products and processes which alerted them to many areas that could be streamlined or improved. To address waste in three areas at VHG, NHMEP's Linda Ellis and Sean Jordan guided employee teams through some Value Stream Mapping exercises on two of the product lines and on the analytical testing lab where their testing services are performed. The Net Suite and the Value Stream Mapping processes were incredibly eye opening. They were able to see how long it takes to get product thru their system. An example of this was a product that currently took three weeks to get out the door but only takes five hours to produce. Physical reorganization in the labs meant a much more efficient work flow and greatly reduced this time. The logging in and tracking processes of materials were streamlined to avoid a lot of duplicated effort. In general, many unnecessary steps were eliminated or simplified. The new software allowed them to track inventory which they were not able to do with their prior system. There were thousands of bottles of product in the warehouse that customer service was not aware of. Now customer service knows exactly what they have in inventory at all times.

#### Results:

\* Implemented NetSuite to track products and processes.



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- \* Improved lead times.
- \* Retained sales.
- \* Increased profit margin by 3 percent.

### Testimonial:

"Our training with Linda Ellis and the NHMEP staff has helped us to much more clearly understand and define our processes and once we did that, the way to improve them became much clearer."

Sue Evans Norris, President

